



Testimony Re: Governor's Budget Amendment -- Article 5 Regarding Capital Development Program (Question 3a - Housing Bond)

House Finance Committee

July 29, 2020

Stephanie Geller, Deputy Director

Mr. Chairman and members of the Committee, thank you for the opportunity to provide this testimony. **Rhode Island KIDS COUNT strongly supports the Governor's Budget Amendment to Article 5, specifically the proposal to provide an additional \$40 million in funding to support affordable housing development and community revitalization through property acquisition and investment in local infrastructure or assets.** Together with the original affordable housing bond proposal, this would mean a total of \$65 million invested in affordable housing.

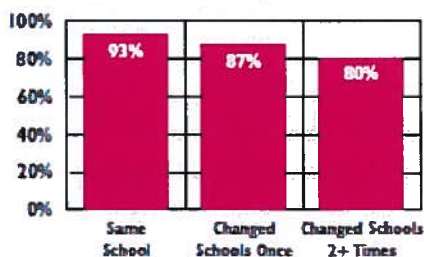
This investment is sorely needed. Rhode Island has an urgent housing shortage. The supply of housing is not keeping up with demand, and the cost of housing is outpacing wages. Rhode Island significantly underinvests in housing production compared to our neighbor states. This additional funding will help us narrow this investment gap and build the homes our state needs to support families and our economy.

Poor quality, unaffordable, and crowded housing has a negative effect on children's physical health, development, and emotional well-being and on a family's ability to meet their children's basic needs. Children who live in families with housing cost burdens often live in low-quality and overcrowded housing and move frequently, all of which have been linked to increased absenteeism, lower educational achievement, and increased risk of homelessness.

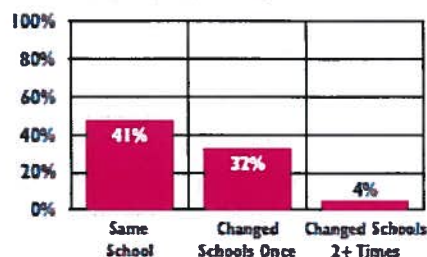


School Mobility and Education Outcomes in Rhode Island

Attendance Rates by Mobility
(2018-2019 School Year)



Third Graders Meeting Expectations
in English Language Arts by Mobility
(2018-2019 School Year)



Source: Rhode Island Department of Education, 2018-2019 school year.

Rhode Island KIDS COUNT is a proud member of HomesRI, a coalition of organizations working together to increase and preserve the supply of safe, healthy, and affordable homes throughout Rhode Island. **Together with the other members of HomesRI, we urge you to support this Budget Amendment** so we can provide the housing our state needs and provide the jobs and economic stimulus that this type of investment will support. We also urge you to support Budget Article 12 which would establish a permanent funding stream for affordable housing through an increase in the real estate conveyance tax on property valued over \$500,000 so we have a regular and sustained source of funding to support housing.

These funds are needed to ensure that we have safe, healthy, affordable homes for our most vulnerable residents, including low-income children and families, seniors, people with disabilities, and working people. The need for safe and affordable housing has become more apparent during the COVID-19 public health crisis, and it is urgent that we address these needs now and plan for the ongoing investments in housing that will be needed in the future.

Thank you for the opportunity to provide this testimony.